

**DEPARTMENT OF STATE REVENUE**

**LETTER OF FINDINGS NUMBER: 02-0206P**

Adjusted Gross Income Tax Penalty

Calendar Year 2000

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**ISSUE(S)**

I. **Tax Administration** – Penalty

**Authority:** IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

**STATEMENT OF FACTS**

Taxpayer protests the penalty assessed.

I. **Tax Administration** – Penalty

**DISCUSSION**

Taxpayer was assessed a penalty for failure to timely pay its entire tax liability by the due date of the return.

Taxpayer and its representative have sent several protest letters to the department. In a letter dated August 29, 2000, the taxpayer's CPA states that the penalty was incorrectly charged as IC 6-8.1-10-2.1 allows waiver if at least 25% of the final income tax liability for the previous tax year was remitted quarterly. On April 2, 2002 and April 23, 2002 the taxpayer requested a penalty waiver because it was a good corporate citizen and it has made good faith efforts to estimate its tax liability. Taxpayer states its estimated tax payments were \$140,000 higher than in the previous year, and in the year 2000, it overpaid its estimated taxes in excess of \$350,000. Taxpayer requests the penalty be considered for abatement.

Taxpayer was several months late in paying all of its tax liability. Approximately twenty two percent (21.5%) of the tax due was not paid until after the original due date of the tax return. An extension to file is not an extension for payment and taxpayer has not provided reasonable cause to allow a waiver of the penalty.

**FINDING**

Taxpayer's protest is denied.

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